



separate arguments

ISSUE: Major investments of Regional Medical Programs
grant funds in revenue producing equipment *for extended*
fixed + movable

The Division Staff suggests the following as a recommendation
of the Council:

"In order to be considered for final recommendation by the
National Advisory Council, applications for projects which include
requests for purchase of major items of revenue-producing equipment
must include . . .

. A statement of the rationale for charging any or all of
purchase price of the equipment to the grant, and of the justification
for the proportioning of the shared costs among those involved in
the purchase;

. A proposed plan for accounting and fiscal control of the
revenues accruing to the project (see ~~attached~~ HEW Grants Administration
Manual Issuance, entitled Disposition of Grant-Related Income);

. Adequate evidence that the project plan, including the
acquiring of the equipment, has been reviewed, and if necessary
approved, by the appropriate local planning agencies."

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